

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
COMMISSION DIRECTIVE**

ADMINISTRATIVE MATTER

☐

DATE

June 17, 2020

MOTOR CARRIER MATTER

☐

DOCKET NO.

2020-144-E

UTILITIES MATTER

☒

ORDER NO.

SUBJECT:

[DOCKET NO. 2020-144-E](#) - Petition of Duke Energy Progress, LLC for an Accounting Order Related to the Asheville Combined Cycle Generating Plant - Staff Presents for Commission Consideration Duke Energy Progress, LLC's Petition for an Accounting Order Related to the Asheville Combined Cycle Generating Plant.

COMMISSION ACTION:

Duke Energy Progress, LLC requests an accounting order authorizing it to defer certain post-in-service costs in a regulatory asset account that are being incurred in connection with the 560-megawatt Asheville Combined Cycle Station. The Asheville Combined Cycle Station is part of the Company's Western Carolinas Modernization Project.

Specifically, the costs Duke is seeking to defer are the generating station's cost of capital, depreciation expense, property taxes, incremental operations and maintenance expenses net of operations and maintenance savings, and carrying costs at weighted average cost of capital, consistent with prior treatment of new generation. The utility estimates that the total deferred costs will be \$8.2 million.

Duke Energy Progress, LLC also states these expenses are not reflected in existing base rates, and while this request will not involve a change to any of the Company's retail rates or prices at this time, it plans to submit these unrecovered incremental costs as a component of electric rates in its next rate case filing.

The Office of Regulatory Staff has reviewed this matter and does not object to Duke's request. ORS states its position is predicated on the basis that the issuance of an accounting order in this matter will not preclude the ORS, the Commission, or any other party from addressing the reasonableness and prudence of these costs as well as determining if carrying costs should be included on all or part of the deferral in a subsequent general rate case or other proceeding. Mr. Chairman, ORS further states that it reserves the right to review this matter in full in a subsequent general rate case or other proceeding, and Duke has no objective right, entitlement, or guarantee to recovery of the costs or return included in the regulatory asset account.

Therefore, I move that the Commission grant the request for an accounting order deferring the post-in-service costs being incurred by the Asheville Combined Cycle Station as specified in Duke Energy Progress's Petition. This approval does not affect the right of any party to address the reasonableness and prudence of the deferred costs in Duke Energy Progress's next general rate proceeding or any other proceeding.

PRESIDING: Randall

SESSION: Regular

TIME: 2:00 p.m.

	MOTION	YES	NO	OTHER
BELSER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
ERVIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
RANDALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WHITFIELD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WILLIAMS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>Absent</u>

voting via videoconference

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Military Leave

(SEAL)

RECORDED BY: J. Schmieding

